

SUBCOMMITTEE ON REQUIREMENTS AND FACILITIES FOR COLLATION OF THE EIC

ANNUAL PROGRESS REPORT

30 JUNE 1959

1. During the year ending 30 June 1959, the Subcommittee on Requirements and Facilities for Collation of the Economic Intelligence Committee held two meetings, both of which were concerned mainly with the review of the status of existing information collection programs and activities and the formulation of new plans and programs in light of current and anticipated collection problems.

2. Specific activities in which the Subcommittee engaged were as follows:

- a. Prepared and submitted to the EIC for approval a draft revision of the Subcommittee terms of reference. These terms of reference were approved by the EIC on 7 November 1958.
- b. At the request of the EIC, initiated action to obtain up-to-date information on the status of Sino-Soviet Bloc projects in underdeveloped countries. Action for levying requirements on the appropriate reporting facilities was assigned to the Department of State.

In collaboration with the EIC Working Group on Sino-Soviet Economic Activities in Underdeveloped Areas, the Department of State prepared and issued an instruction to Foreign Service Posts which requested them to report the latest information on the status of Bloc projects. The posts were asked to coordinate the reporting effort with all available reporting facilities, including [REDACTED] ICA. All posts responded by the deadline date, submitting information available to them on the projects.

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- c. Instructed the Washington Coordinator for the [REDACTED] Program to prepare and submit to the field an evaluation of reporting under the Program, which evaluation has been prepared and will be transmitted to all posts participating in the Program.

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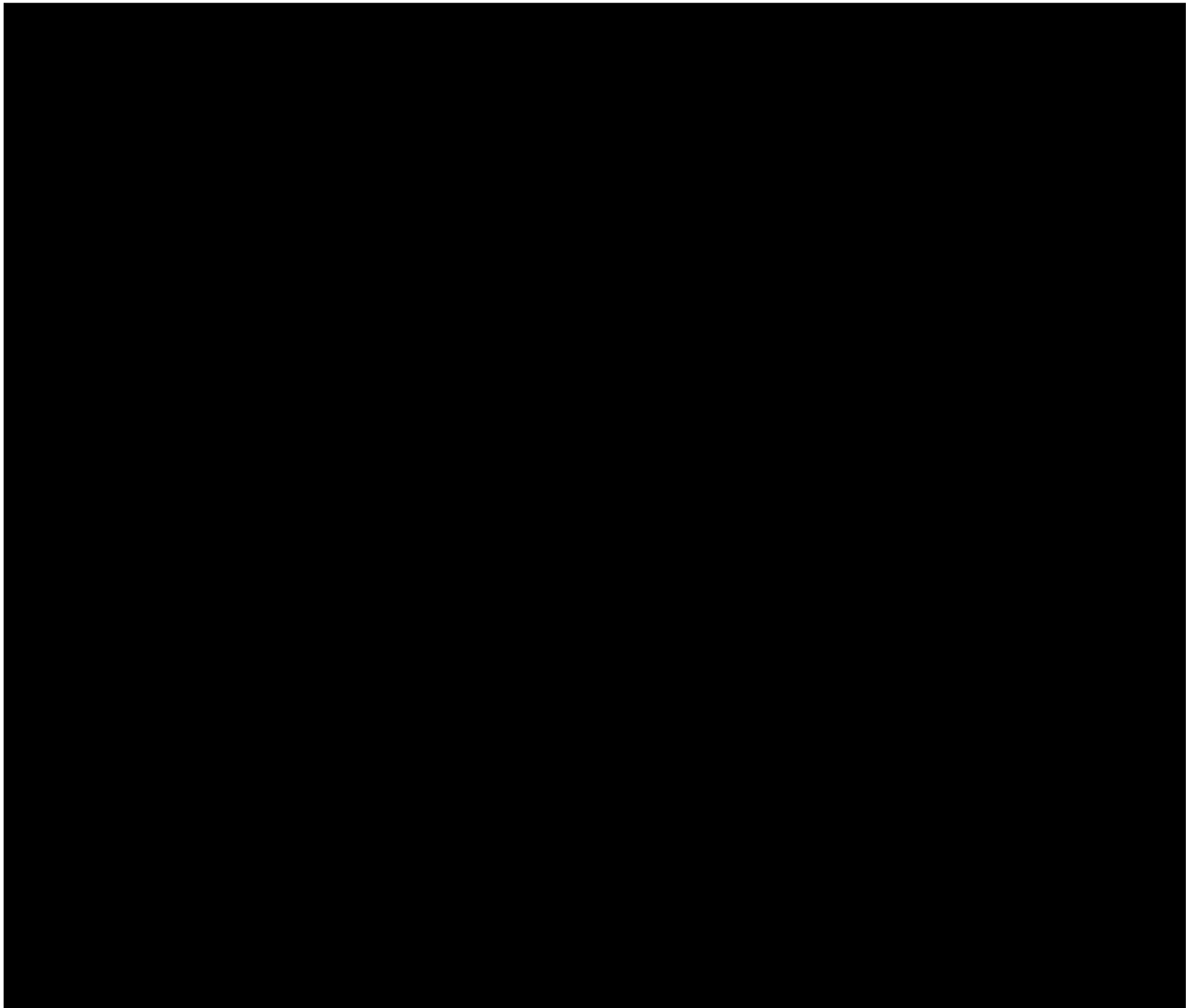
- d. Instructed the Washington Coordinator of [REDACTED] Program to prepare for field guidance and information: (1) instructions outlining each post's responsibilities for administering the Program and for reporting under the Program, and (2) a statement explaining the Program's "new look", i.e., changes made in 1958-59 designed to increase the effectiveness of the Program. This guidance has been prepared [REDACTED]

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3. In addition to the specific activities of the Subcommittee proper, as outlined above, accomplishments of the Subcommittee were further expressed through the activities and actions of three of its continuing functions, as shown below:

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b. Economic Reporting Guidance Program

Under this program, the Office of Research and Reports, CIA continues to maintain active working relations with the Department of State in generating a full cycle of economic and geographic intelligence flow from and to the Bloc posts. The cycle starts with detailed briefings of outgoing officers by a battery of analysts. It is followed up with written instructions indicating current intelligence problems. Among the instructions the latter part of the year were the first of a new series of gaps in intelligence statements to aid the posts in focussing reporting. Interim [REDACTED] instructions were also sent out through ERGP. Prompt and full answering despatches from the posts have led during the past year to increased use by analysts of the Foreign Service economic appraisal. Final stage of the cycle is transmission to the posts of ORR research reports, which include a list of information reports used and an indication of further intelligence needs.

c. Comprehensive Economic Reporting Program

A program designed to stimulate more effective, expanded and coordinated utilization of the Department of State's Comprehensive Economic Reporting Program (CERP) by the Intelligence Community was inaugurated during the period. The research and collection components of CIA and of the Department of the Army were individually briefed on existing possibilities for exploiting the CERP program for intelligence purposes. The intelligence components of the Departments of the Navy and Air Force will

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be briefed during the coming period. These initial efforts have already resulted in increased participation by such agencies in the CERP, including the submission by them of special requirements to meet their respective economic intelligence needs. It is hoped that this growing awareness of the intelligence possibilities of CERP will help to make it more responsive to the varied needs of all elements of the Intelligence Community in the Economic field.

4. Although the Subcommittee proper was relatively inactive during the reporting period, it continued to fulfill the important function of providing an interagency coordinating body to consider matters of intelligence requirements and the collection of intelligence information. For the future, the Subcommittee plans to continue surveying existing plans and programs for the collection, recording, processing and distribution of economic intelligence information and to formulate coordinated plans and programs to meet new problems in these areas as they can be anticipated or as they arise.

5. One final matter that the Subcommittee on Requirements and Facilities for Collation of the EIC wishes to broach to the Economic Intelligence Committee relates to the present name of the Subcommittee. It is the consensus of the membership of the Subcommittee that part of the Subcommittee's name, i.e., the "Facilities for Collation" portion, does not describe appropriately the functions of the Subcommittee and is somewhat unwieldy. In addition, common usage has popularized the term "Requirements Subcommittee" or "Subcommittee on Requirements." In view of this, it is requested that the Economic Intelligence Committee authorize an official change of name for the Subcommittee from "Subcommittee on Requirements and Facilities for Collation" to "Subcommittee on Requirements."

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